



**CITY OF DEL RIO**

109 West Broadway DEPT. OF TRANSPORTATION  
Del Rio, Texas 78840-5527 DOCKETS

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April 10, 2002

Docket Operations & Media  
Management Division  
SVC-124, Room PL-401  
Department of Transportation  
400 7<sup>th</sup> Street **SW**  
Washington D.C. 20590

Docket OST-2002-11590 - 8

Dear Mr. Matthew C. Harris

The City of Del Rio, Texas submitted their proposal for the Small Community Air Service Development Pilot Program on April 8, 2002. I have reviewed the proposal and found **an** error on page 3 of the proposal. I used the word "month instead of the word week". Please substitute the corrected page in our proposal.

Thank you for assisting us in this matter.

Sincerely yours

*Jack L. Richardson*  
Jack L. Richardson

Airport Manager  
Del Rio International Airport  
Del Rio, Texas

We believe our transportation needs can be met with two round trip flights with a 19 passenger aircraft during the work week (five days). Local business persons state they will continue to drive to San Antonio, a distance of over 150 miles, rather than pay exorbitant air fares. Their definition of high air fares appears to be anything over \$100 one way to DFW.

## STRATEGIC PLAN FOR MEETING IDENTIFIED NEEDS

The City of Del Rio desires to assist in securing adequate air transportation to facilitate the economic development of our community. Trade systems, brought to us by NAFTA and the Twin Plant Operators, necessitate our financial involvement with an independent provider of air transportation and to seek grant assistance from the Federal Government under the Pilot **Program**. The City seeks \$500,000 in federal funds and \$50,000 from our general fund. The primary objective is to provide an incentive for the provider of air transportation by absorbing a portion of the loss, if loss should occur, and to assist the air transportation provider by abating lease and or rental fees for office space in our new administration building that is in the bidding phase now. For clarification, the City intends to invest \$50,000 in cash plus abatement of lease fees as in kind. The City will actively seek advertisement about the availability of air passenger and cargo service.

Our plan is very basic, with the understanding that some costs have not been fully developed at this time, and that some costs could increase because of unknown security measures that may be required. Revenue from counter to counter air freight, clearing of bank checks, and small letters and packages has not been counted in the proposal. However, this revenue could be a determining factor in the establishment of a break even figure.

The following costs were calculated using Air One Express base cost for a one-way trip of 334 miles from Del Rio, Texas to Fort Worth/Dallas International airport. There will be four (4) trips per day, five (5) days per week, or twenty (20) trips per week.

This plan is based on a tentative fare of \$150 dollars one way to DFW

| No. | Pass | BEP      | Fare  | Profit/Loss | Fed Share | City Share | One-way |
|-----|------|----------|-------|-------------|-----------|------------|---------|
| 19  |      | \$78.42  | \$150 | +\$1360     | 0         | 0          | \$1490  |
| 14  |      | \$106.42 | \$150 | + \$610     | 0         | 0          | \$1490  |
| 9   |      | \$165.55 | \$150 | (\$140)     | \$126     | \$14       | \$1490  |